Ipsen

First Half 2011 Results Roadshow – JP Morgan
New York / Boston – 30th August to 2nd September 2011

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Claude Bertrand – EVP – Chief Scientific Officer
Pierre Kemula – Investor Relations Officer
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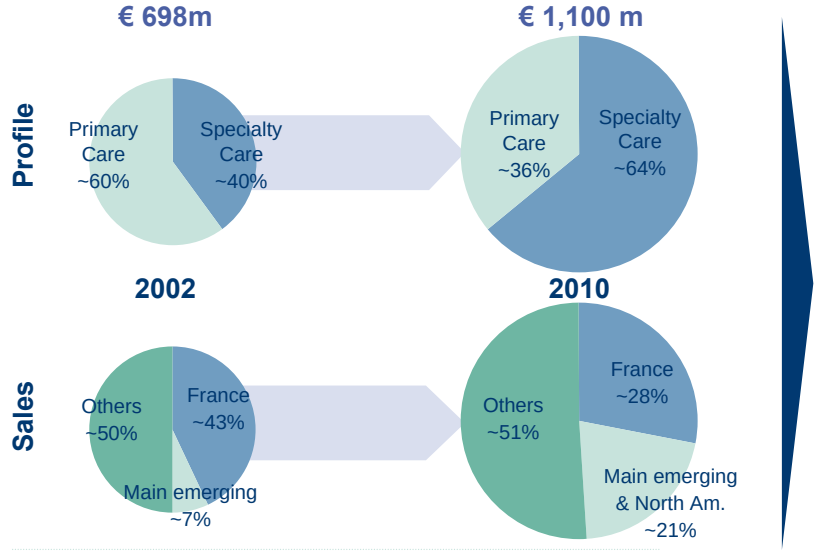
The implementation of the strategy has to be submitted to the relevant staff representation authorities in each country concerned, in compliance with the specific procedures, terms and conditions set forth by each national legislation.

New Strategy

Summary

Over the last decade, Ipsen has succeeded in adapting to a fast changing environment

Evolution of Ipsen's sales profile



Ipsen is ideally positioned to benefit from current market trends

Main emerging countries : China, Russia, Brazil

Note : French accounting standards for 2002 figures

New strategy aims at leveraging Ipsen's core strengths to become a global leader in targeted debilitating diseases

Increase Focus | Invest to Grow | Leverage Footprint

A market-oriented franchise model…

…driving an R&D patient centric organization focused on core platforms, peptides and toxins.

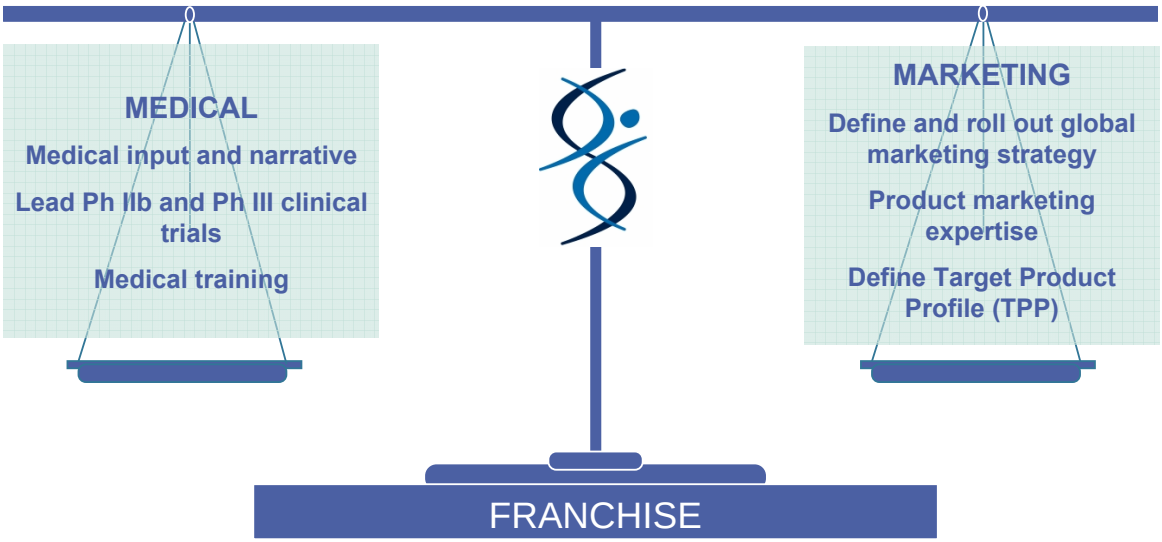
More than double revenues[1]

…and more than triple EBIT[2]

NOTE 1: 2020 projected figures include contribution of Inspiration portfolio and are set at constant foreign exchange rate

NOTE 2: prior to purchase accounting recordings and non recurring elements

Franchise model to bring commercial reality at the center of drug development…



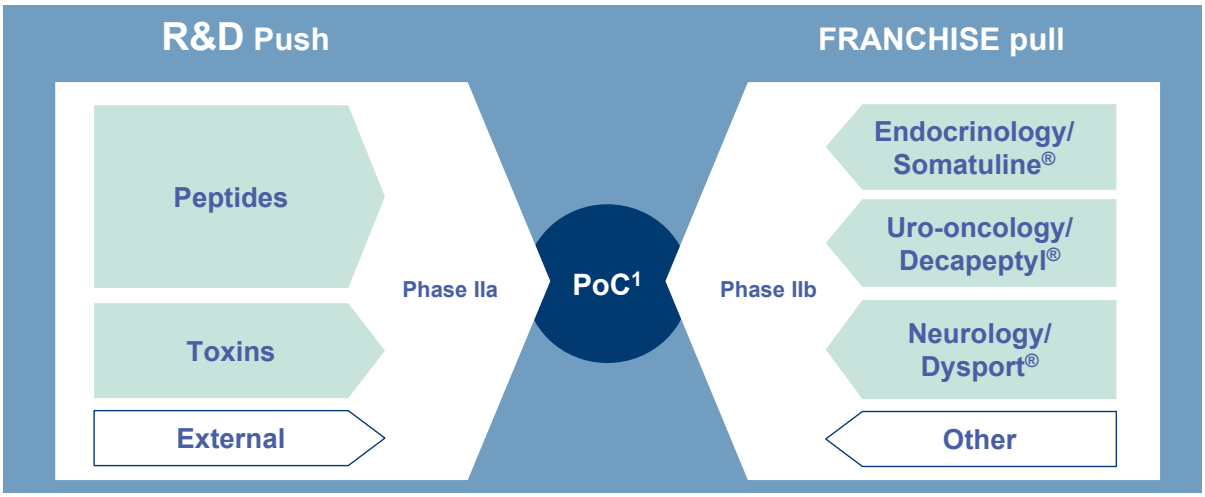
Countries are responsible for P&L performance

…with differentiated focus along the value chain

	Research	Early dev. (end of PhIIa)	Late dev. (PhIIb & PhIV)	Manufacturing	Operations
Endocrinology/ Somatuline®	✓	✓	✓	✓	✓
Neurology/ Dysport®	✓	✓	✓	✓	✓
Uro-oncology/ Decapeptyl®	Ipsen or Partner	Ipsen or Partner	Ipsen or Partner	Ipsen or Partner	✓
Hemophilia	Partner	Partner	Ipsen or Partner	Ipsen or Partner	Ipsen or Partner

Primary care and Short Stature in a commercial optimization strategy

…with an integrated R&D "push-pull" model to fulfill patient/ commercial requirements



NOTE 1 : Proof of Concept is the evidence that a drug is safe and capable of treating a specific patient population

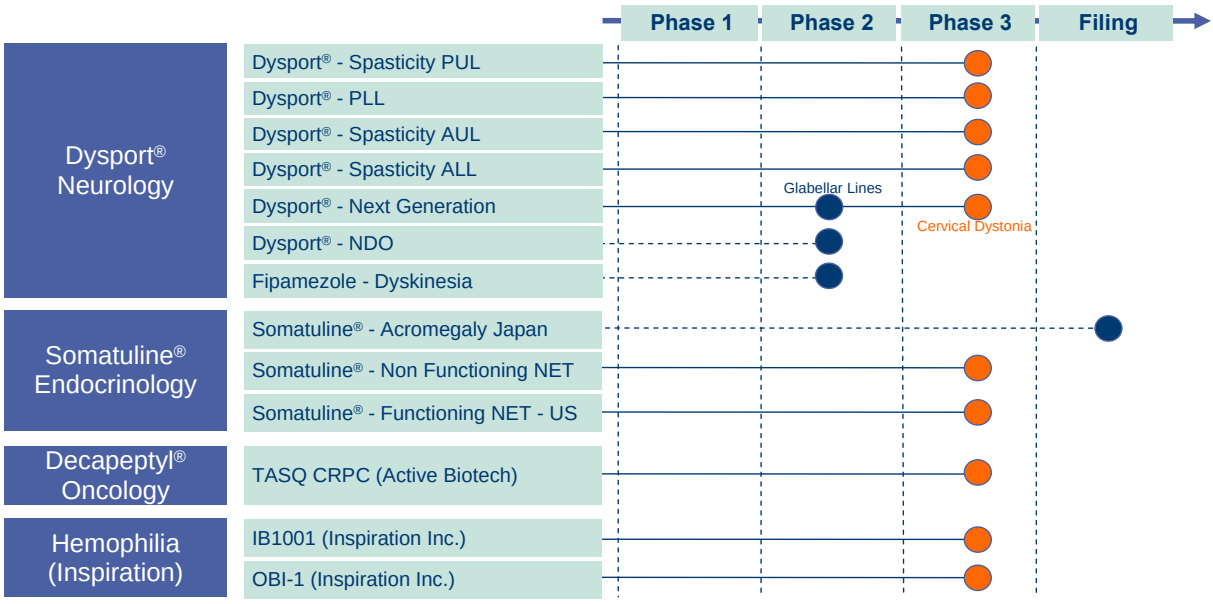
… with key decisions made

2020 strategy implies important choices

Increase focus

- Close R&D activities at **Barcelona** site
- **Terminate one third of R&D** projects
- Regions and countries to manage **Short Stature** in commercial optimization perspective
- Explore new commercial partnership opportunities in **French primary care**
- Ensure sustainable future to **Dreux** manufacturing site

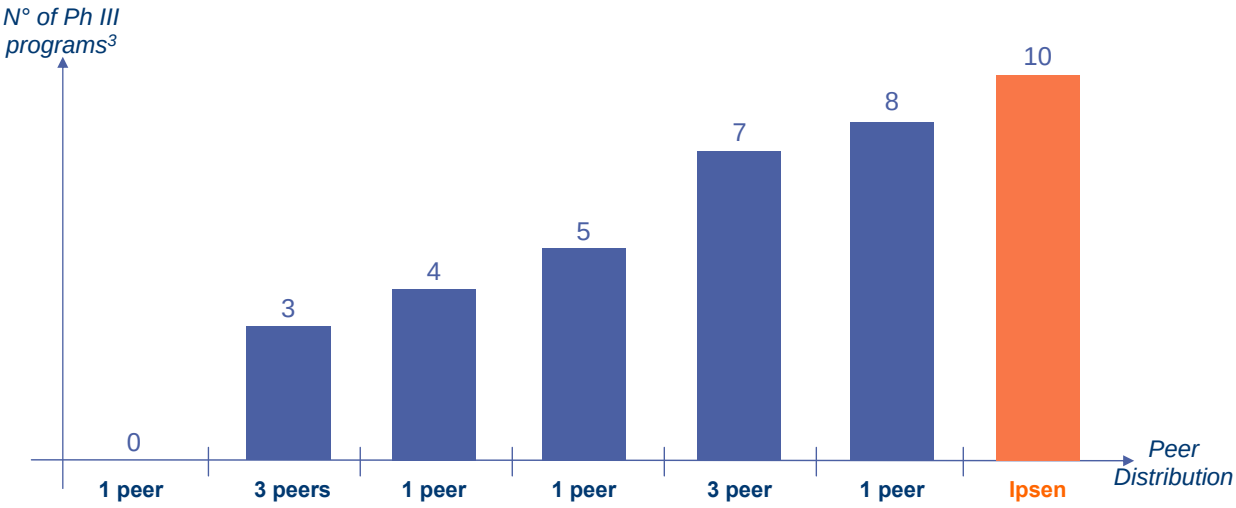
Invest to grow: a rich Ph III program



10 on-going phase IIIs, 4 for NMEs, 6 for life cyle management

Ipsen differentiated from 10 peers[1] in terms of Ph III intensity[2]

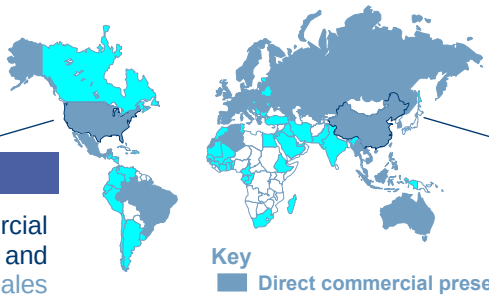
Ipsen and its peers[1] - Intensity of Ph III programs



NOTE 1 : 10 peers selected with a criteria such as Sales, EBIT, R&D to sales ratio, PE, Headcount, Therapeutic Areas, Geographical reach…
Peers include: Lundbeck, Meda, Almirall, Shire, Biogen Idec, Allergan, Novo Nordisk, Merck Serono, Actelion and Orion
NOTE 2 : Based on available and disclosed information as of august 2011
Note 3 : Number of Ph III for a single indication

Leverage Ipsen's extensive commercial reach as a major growth driver

Ipsen recorded sales in 115 in 2010



US

- Enhanced commercial efforts to Somatuline® and Dysport® to capture sales full potential
- Inspiration opportunity
- Move teams to the East Coast

China

- Support strong Decapeptyl® growth in China
- Register Dysport® and Somatuline®

Further leverage Ipsen's profitable commercial rach

Group strategy – Execution on track

Ipsen's 2020 aspiration:
Become a global leader in targeted debilitating diseases

Increase Focus | Invest to Grow | Leverage Footprint

A market-oriented franchise model…

…driving an R&D patient centric organization focused on core platforms, peptides and toxins.

More than double revenues[1]

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NOTE 1: 2020 projected figures include contribution of Inspiration portfolio and are set at constant foreign exchange rate

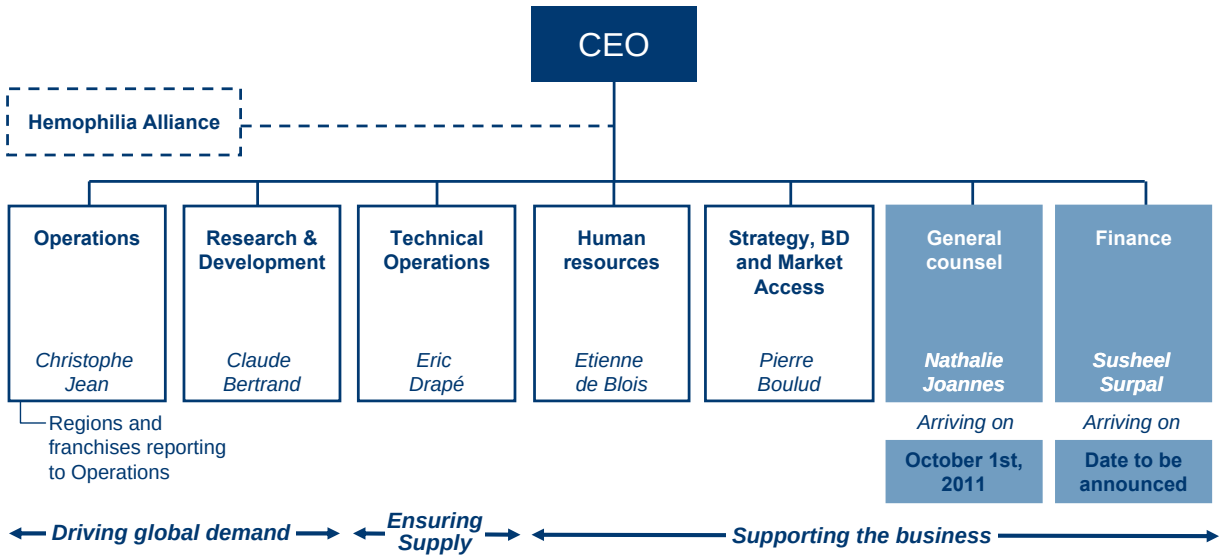
NOTE 2: prior to purchase accounting recordings and non recurring elements

Implementation: main milestones to success

2011	2012	2013	2014	2015
☑ Define strategy	☐ R&D « PoC » machine implemented	☐ Somatuline® New device rolled out globally	☐ TASQ filed in Europe	☐ Inspiration option assessment
☐ Merge R&D	☐ Barcelona R&D site closed	☐ Dysport® A.& P. L.L spasticity filed	☐ Somatuline® F. NET filed in the US	☐ Dysport® P.U.L filed in the US
☑ Reinforce Uro-oncology franchise (TASQ)	☐ French primary care commercial activities partnered	☐ Dysport® NDO Ph III initiated	☐ Somatuline® NF NET filed WW	☐ 5 new Pre clinical candidates (vs. June 2011) O/W 3 reach POC
☑ Dysport® CD CTA[1] filing in China	☐ IB1001 filed in the USA	☐ Smecta® EDL assessment (China)	☐ Dysport® A.U.L filed	☐ Smecta® EDL assessment (China)
☑ Somatuline® Acromegaly CTA[1] filing in China	☐ OBI-1 PhIII (Acquired H) enrollment completed	☐ OBI-1 Acquired H. filed in the US	☐ Dysport® NG filed	
☑ New extended Executive Committee staffed	☐ OB-1 PhIII Congenital H. initiated		☐ Dysport® P.U.L filedin Brazil	
☐ Franchise org. implemented	☐ US platform reorganized		☐ Inspiration option assessment	
☐ IB1001 filed in Europe			☐ Smecta® EDL assessment (China)	

NOTE 1: CTA or filing for Clinical Trial Authorization

Executive Committee recruitment completed

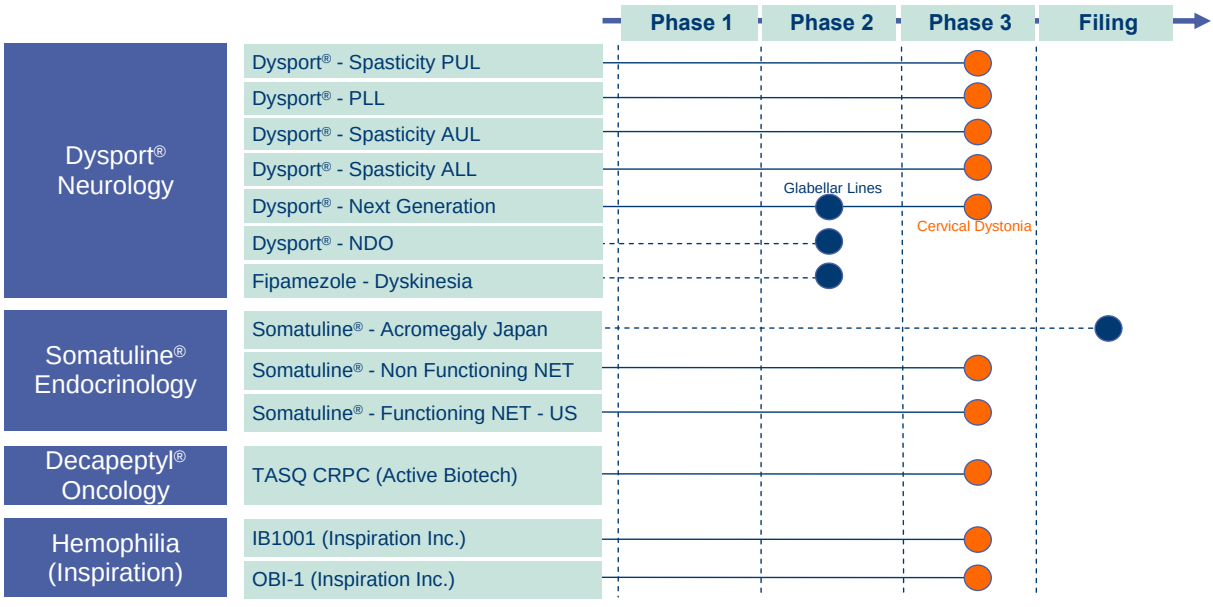


Progress update

Increase Focus - R&D	• Barcelona R&D site: all administrative and employee-related procedures required to close the R&D are completed • R&D programs being aligned with strategic priorities: – 5 programs stopped[1] – 4 additional programs to be stopped before year-end
Footprint - US	• Move to the east coast initiated • Target completion date: January 1st, 2012
Other	• Primary Care France: – On-going preliminary contacts with potential partners • Organizational change: – On-going discussions with workers council

NOTE 1: while meeting on-going patient and clinical obligations

Invest to grow: a rich Ph III program



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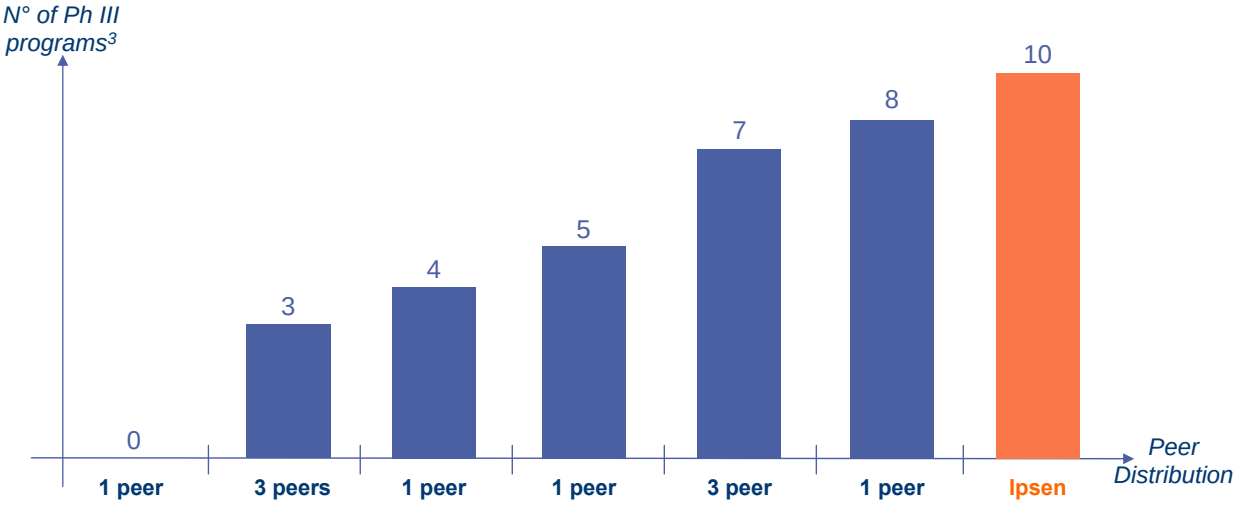

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Ipsen "new" R&D ambition

5 novel pre-clinical candidates…

…out of which 3 will reach POC decision by end of 2015…

…while all life cycle initiatives are achieved on time

Leveraging Ipsen's pan European infrastructure for hemophilia

European partnership signed with Inspiration for the commercialization of IB1001 and OBI-1

- MAA filing in Europe for IB1001 (recombinant Factor IX) in Europe expected before year end
- Ipsen to act as Inspiration's exclusive commercial agent (FIX and OBI-1)
- Business Unit leveraging Ipsen's **existing** resources combined to Inspiration's expertise
- Inspiration to:
  - Book sales
  - Bear all costs
- EBIT neutral for Ipsen:
  - Book SMM costs
  - Book corresponding Other Revenues (re-billing)
- Potentially attractive commercial opportunity:
  - 2008 FIX European market: c.$380m[1] or c.44% of ww market
  - 2020 FIX European market[1]: c.$680m[1]

Exclusive commercial agent in a total of 53 countries

A plug-and-play commercial organization for Inspiration's hemophilia products in Europe, increasing Ipsen's hemophilia market knowledge and presence

NOTE 1 : 2008 World Wide Coagulation market, MRB; Internal Estimates

Detailed Financial Results H1 2011

H1 2011, a strong performance throughout

5.2%[1] drug sales growth, driven by :
- Robust specialty care growth, up 7.9%[1] y-o-y
- Resilient primary care

20.7%[2] reported operating margin, up 15.1% y-o-y

One-off costs related to the implementation of the new strategy (-€38.7m) partly offset by proceeds from the favorable outcome of a litigation (+€17.2m)

24.7%[2] recurring adjusted[3] operating margin, up 27.1% y-o-y

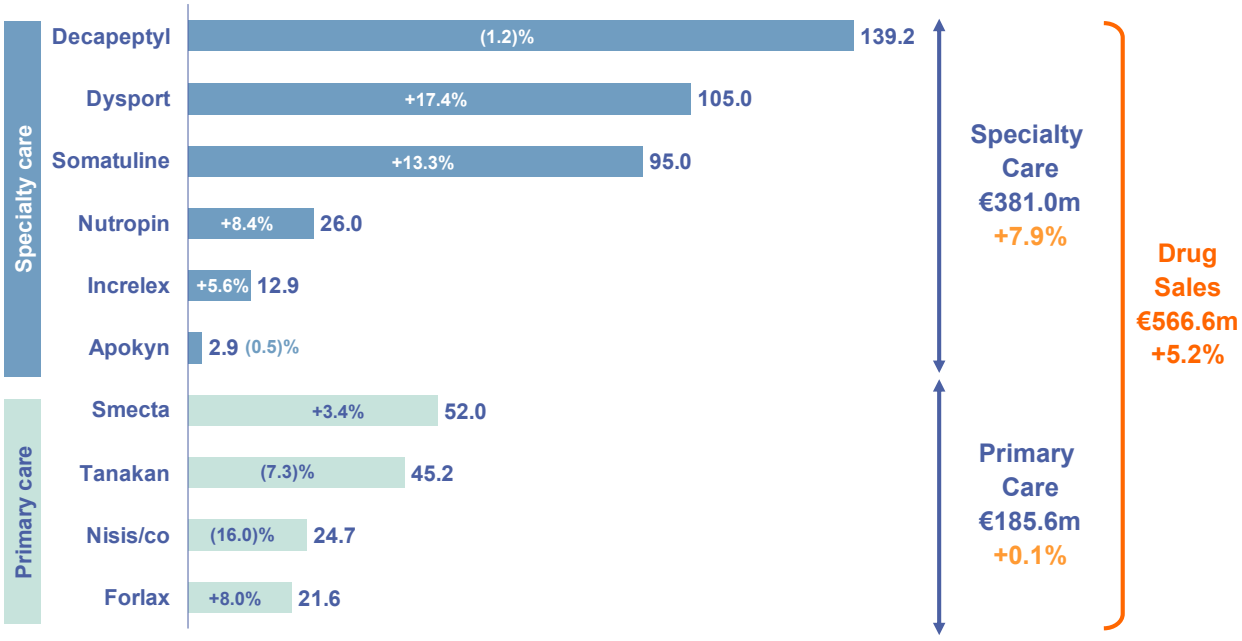
Recurring adjusted[3] EPS of € 1.27, up 32.3% y-o-y

€132.0m net cash position as at June 30, 2011

NOTE 1 : excluding foreign exchange impacts
NOTE 2: in percentage of Group sales
NOTE 3 : before non recurring elements particularly related to the preparation and implementation of the Group's strategy

H1 2011 sales: robust specialty care, resilient primary care

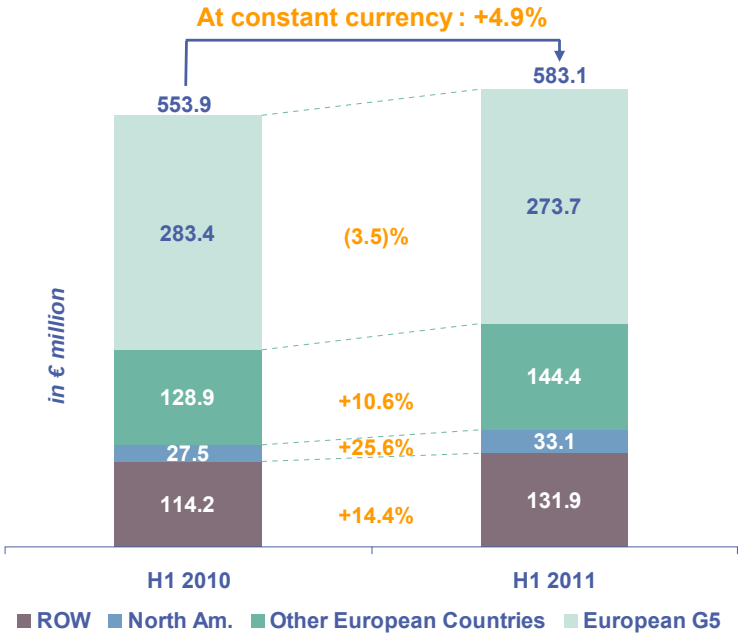
Sales in € million



% : sales growth at constant currency

Group's Sales driven by regions other than G5

GROUP SALES growth : +5.3% (incl. Drug related sales)



- **European G5**
  Specialty care sales growth offset by tougher competitive environment, notably in French Primary care and government measures in Germany and Spain
- **Other European countries**
  Sustained volume growth, particularly in Switzerland, Russia, Austria and Ukraine
- **North America**
  Continued penetration of Somatuline® and Dysport®
- **ROW**
  Strong volume growth in Algeria, Australia, Columbia and China

Growth rates excluding foreign exchange impacts

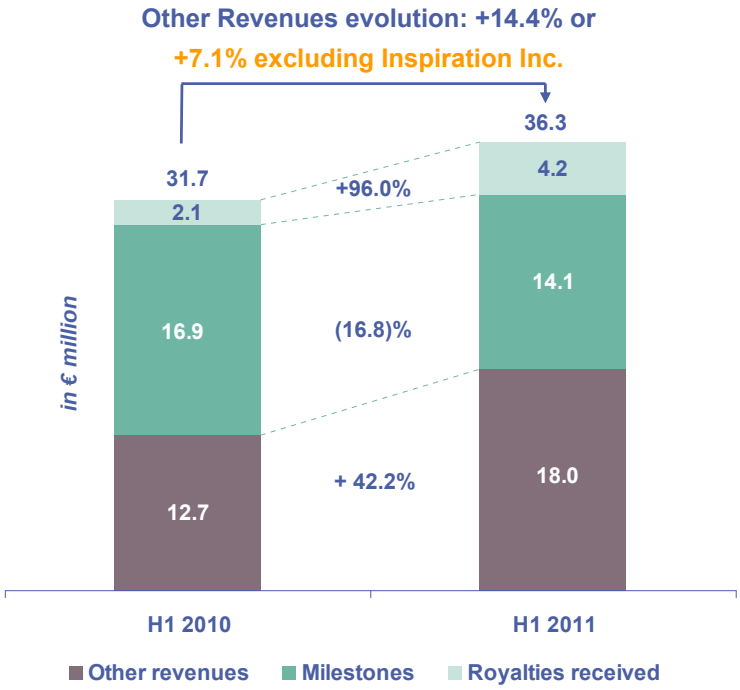
Summary of H1 2011 P&L and evolution

In million euros	H1 2011	H1 2010	Growth (%)
Sales	583.1	553.9	+5.3%
Total Revenues	619.4	585.7	+5.8%
Operating Income *Margin[1]*	120.8 *20.7%*	104.9 *18.9%*	+15.1%
Recurring adjusted[2] operating income *Margin[1]*	143.9 *24.7%*	113.2 *20.4%*	+27.1%
Consolidated Net Profit *(attributable to Ipsen shareholders)*	91.7	75.5	+21.4%
Fully diluted EPS	€1.09	€0.90	+21.1%
Fully diluted recurring adjusted[1] EPS	€1.27	€0.96	+32.3%

NOTE 1 : In % of sales

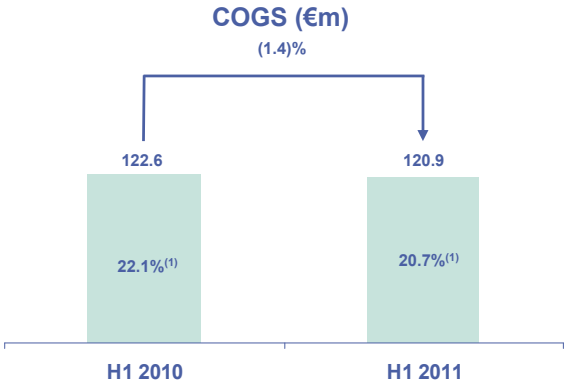
NOTE 2: before non recurring elements particularly related to the preparation and implementation of the Group's strategy

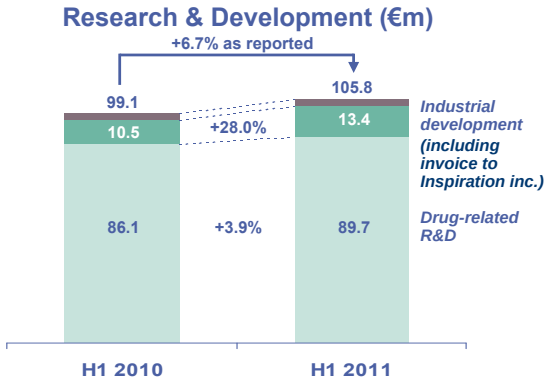
Other revenues evolution

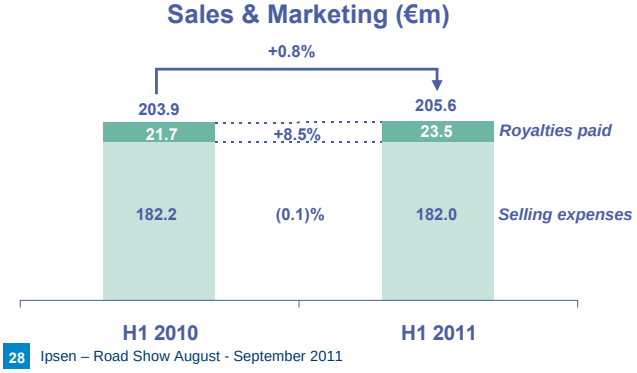


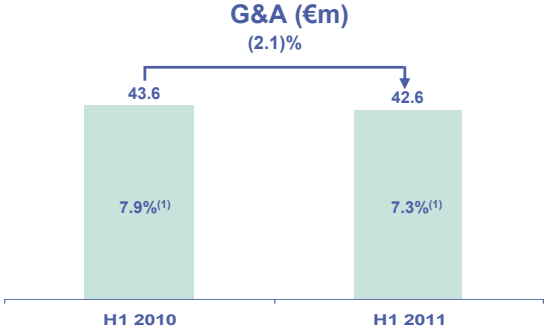
- **Royalties Received**
  Royalties received in H1 2011 doubled with increased royalties from Medicis, Galderma and Menarini
- **Milestones**
  Decrease mainly due to accelerated recognition of 2010 taspoglutide Deffered Revenues
- **Other revenues**
  Invoicing of OBI-1's development costs to Inspiration Inc. and income from the Group's Co-promotion contracts in France

P&L expenses under control









(1) In % of sales

One-off costs related to the preparation and implementation of the strategy

One-off costs linked to the new strategy announced on June 9

A total of €80m to €100m before tax over 2011 and 2012

Booked in H1 2011

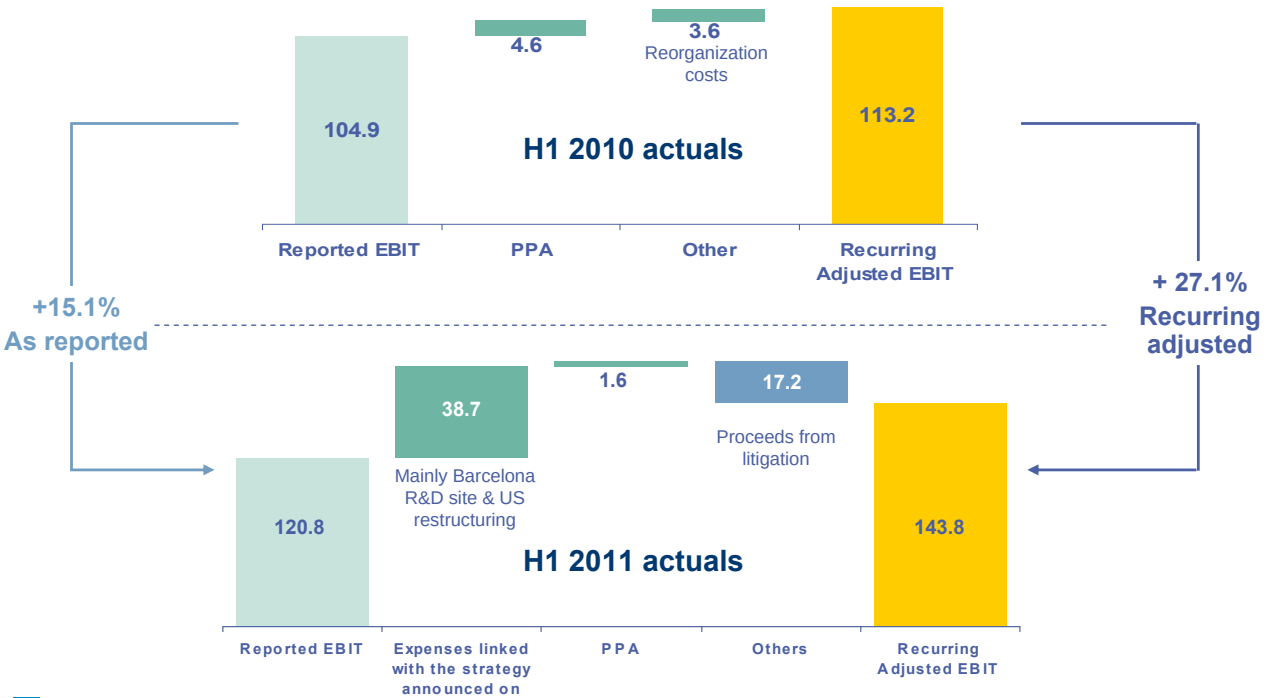
- USA transfer costs to east coast (€8.7m)
- Closing of R&D activities of Barcelona site (€18.4m)
- Other one-off costs related to the implementation of the strategy and of new organization (€11.6m)

- **A total of €38.7m[1] of one-off costs booked in H1 2011**
- **The balance to be booked over H2 2011and 2012**

NOTE 1: -€10.6m booked in OIEs and €-28.1m in restructuring costs

Recurring adjusted[1] Operating Income has improved by 27.1 %

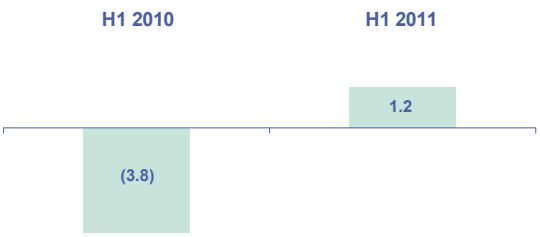
In € million



NOTE 1: before non recurring elements particularly related to the preparation and implementation of the Group's strategy

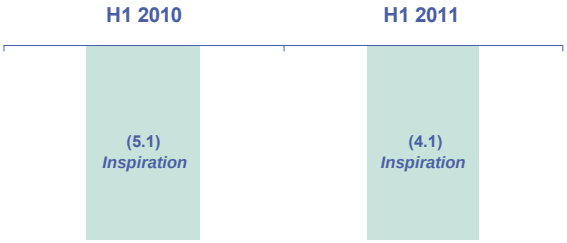
P&L – below EBIT

Financial result (€m)

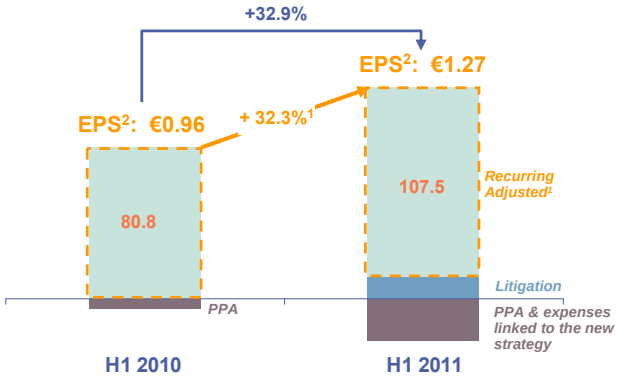


Effective tax rate (% of PBT)

Income from Associates (€m)



Consolidated result (€m)



NOTE 1: before non recurring elements particularly related to the preparation and implementation of the Group's strategy
NOTE 2 : Fully diluted recurring adjusted EPS

Balance sheet

In € million

Assets

	2010	H1 2011
Goodwill	299.1	290.7
Investment in associated companies (incl. Goodwill Inspiration Inc.)	57.9	49.4
Property, Plans & equipments	282.3	275.2
Intangible assets	166.5	182,7
Other non-current assets	232.6	253.0
Total non-current assets	**1 038.4**	**1 050.9**
Total current assets	**639.8**	**624.5**
Incl. Cash and cash equivalent	178.1	159.6
Discontinued operations	-	-
Total assets	**1 678.2**	**1 675.5**
Net Cash	**156.0**	**132.0**

Liabilities

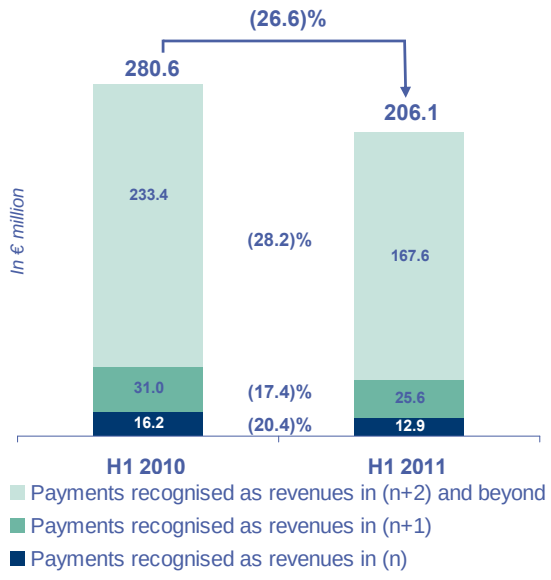
	2010	H1 2011
Equity	1 077.2	1 072.8
Minority interests	2.0	2.2
Total Equity	**1 079.2**	**1 075.0**
Long-term financial debts	15.3	17.1
Other non-current liabilities	250.6	235.0
Other current liabilities	324.7	337.4
Short-term debts	7.7	10.5
Liabilities / discontinued operations	0.7	0.5
Total Liabilities	**1 678.2**	**1675.5**

Cash flow statement

In million euros	H1 2010	H1 2011
Cash Flow before change in working capital	**98.6**	**123.8**
Deferred revenues from partnerships	53.1	3.7
Increase/ Decrease in working capital	(17.0)	(30.2)
Net cash flow generated by operating activities	**134.7**	**97.3**
Investment in Tangible and Intangible assets	(25.5)	(44.2)
Investment in Inspiration	(57.6)	-
Subscription in Inspiration's bonds	(35.5)	(0.8)
Others	(5.6)	(3.1)
Net cash flow used in investing activities	**(124.3)**	**(48.1)**
Net change in borrowings	(0.2)	(0.2)
Dividends paid	(62.3)	(66.5)
Others	(1.0)	(0.4)
Net cash flow used in financing activities	**(63.4)**	**(67.1)**
Discontinued operations	(0.0)	-
Change in cash and cash equivalent	**(53.0)**	**(17.9)**
Impact of exchange rate fluctuations	11.7	(5.0)
Closing cash & cash equivalents	**164.1**	**155.0**
Closing Net Cash	**142.1**	**132.0**

Deferred revenues

Total Milestones cashed-in and not yet recognized as revenues



Main evolutions

- 2010: accelerated recognition of the remaining taspoglutide deferred revenues from Roche
- H1 2010: important milestones revenue from Inspiration ($50m) and Menarini (€18m)

FY 2011 Outlook and Newsflow

Revised 2011 financial objectives

March 2011	Specialist Care Drug sales	Drug Sales growth close to + 8.0% year-on-year
	Primary Care Drug sales	Drug sales decrease of (8.0%) to (10.0%) year-on-year, pending evolution in France
August 2011	Specialist Care Drug sales	Drug Sales growth close to + 8.0% year-on-year
	Primary Care Drug sales	Drug sales decrease of (3.0%) to (5.0%) year-on-year
	Recurring Adjusted[1] operating income	Ranging from €190 million to €200 million

The above objectives are set at constant currency

2011 objective excludes any potential non recurring items

NOTE 1 :before non recurring elements particularly related to the preparation and implementation of the Group's strategy

News flow – upcoming catalysts

- Filing of IB1001 in Europe (H2 2011) and in the US (H1 2012)
- Implementation[1] of Franchise based organization
- New future for Primary Care France and Dreux manufacturing plant
- Maximize value of Apokyn® and Increlex® in the US while meeting its obligations to patients and partners
- New US platform fully operational

NOTE 1: subject to workers' council opinion

H1 2011: key take-aways

- 2011, a year of transition…
- …with a strong H1 financial performance…
- …despite one-off restructuring costs…
- …related to the implementation of the new strategy…
- …and an increased drug sales objectives

Appendices

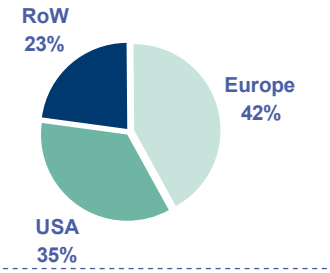
Zoom on

Endocrinology/ Somatuline®

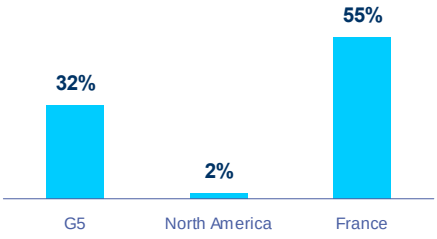
Global Somatostatin Analog (SSA) market in 2010 : ~ 1.1 billion euros…

Q4, 2010 market figures

Geographical split of the SSA market



Examples of Ipsen market shares in SSA market



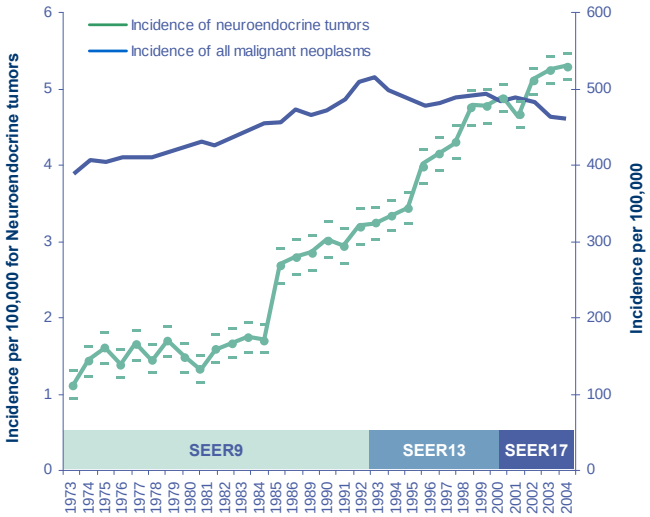
- 2010 SSA market: ~€ 1.1bn
- Solid SSA market growth (+9%[1] in 2009 and +18%[1] in 2010)
- A fairly balanced geographical split between Europe (42% of total sales), the US (35%) and the RoW (23%)
- Somatuline®, an established product in Europe both in Acromegaly and in NET with 55% SSA market share in France and 32% SSA market Share in G5
- Ramping up acromegaly sales in the US with only 2.4% SSA long acting market share in 2010

Note 1: Actual (Somatuline® + Sandostatin) reported sales
Others : based on company reported sales ; IMS MIDAS MAT Q4 2010

… exceeding 1.6 billion euros in 2020, driven by NET

NET incidence over 30 years

Incidence per 100,000 for NET between 1973 - 2004[2]



Steady 3.8%[1] CAGR until 2020

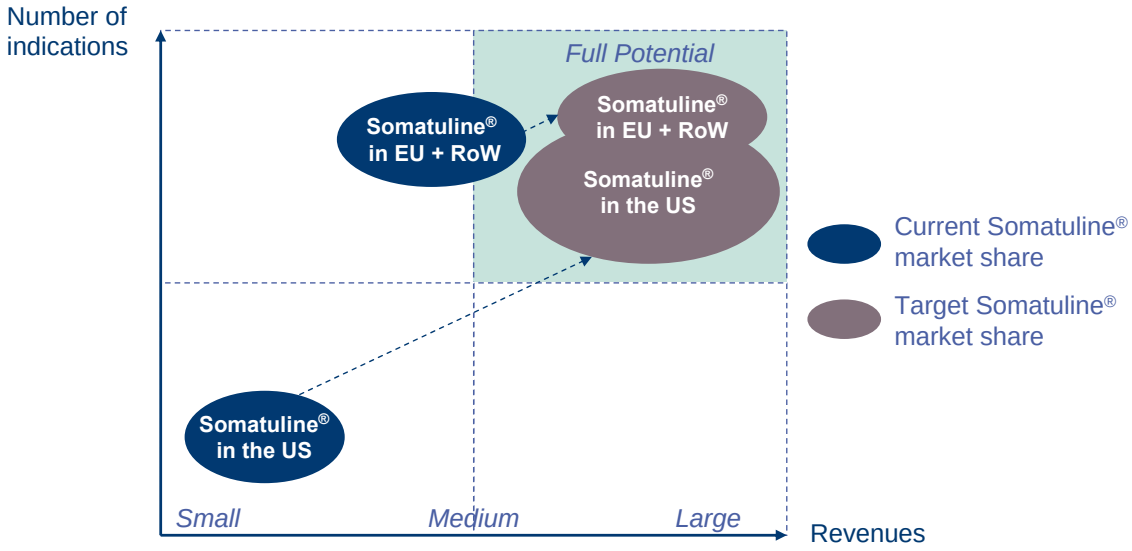
- 2020 SSA market: ~€1.6bn[1] (+ 45% or 3.8% CAGR)

Growth in the SSA market mainly driven by:

- NET
  - Studies suggest that NET incidence has been growing rapidly over the past several decades, particularly in the US
  - Increased awareness of NETs results in a wider availability of improved diagnostic techniques
- The US
  - +4.6%[1] expected market growth in the US between 2010-2020 (world most solid growth)

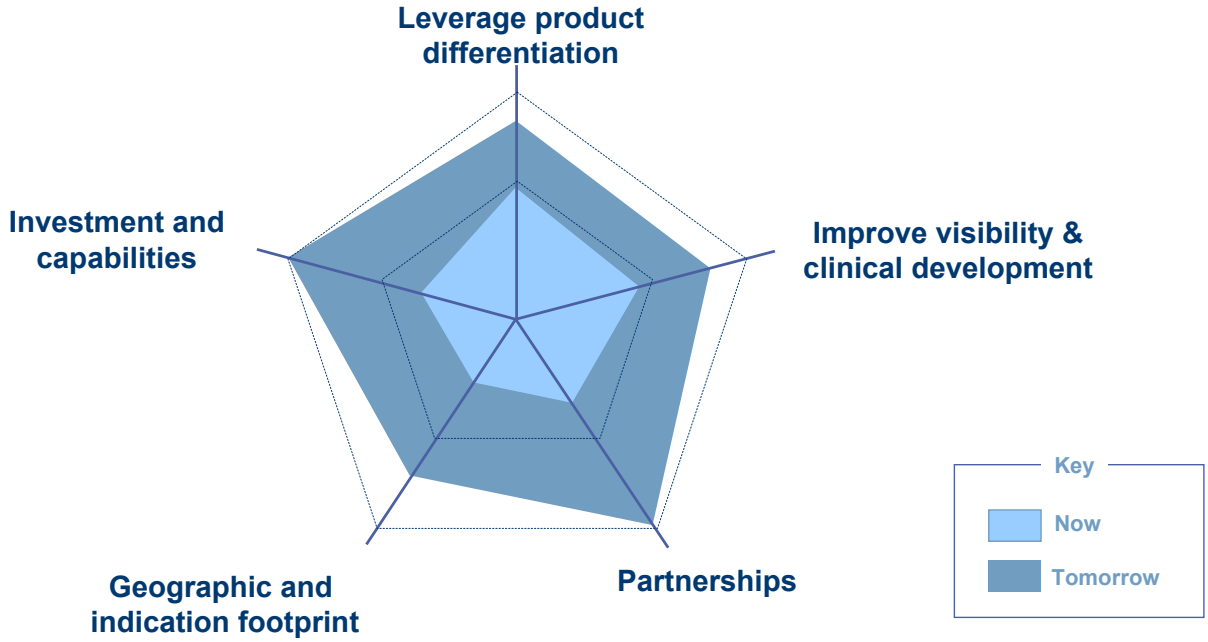
Note 1: Company's internal data
Note 2: US Surveillance Epidemiology and End Results (SEER) 2008

Great potential lies ahead for Somatuline®…



… while SSA market is expected to grow 3.8% CAGR until 2020

Ipsen to work on key levers to reach full potential



NET and the US : two main growth drivers

New additional elements of differentiation

Increased extended dosing interval worldwide

- Approved in the US in March 2011
- From one injection every 4 weeks (60-90mg) to every 6-8 weeks (120mg)
- Increased comfort for the patients
- Economic benefit

New device

- Retractable needle to ensure full dose release
- Optimal safety for hospital care practitioners/ patients
- Health economic benefits related to absence of clogging and no need for reconstitution

Partnerships to explore new treatment paradigm

Innovative partnership with Pfizer Europe in Neuro Endocrine Tumors (NET)

Medical education initiative kicked off at ENETS (joint symposium on March 11th 2011 in Lisbon)

IPSEN Innovation for patient care & Pfizer Oncology

Build upon respective best-in-class position to develop medical education on gastro-entero-pancreatic NET (GEP NET) management

Drive guidance on patients profiles who would benefit most from both agents

New indications: Functioning NET in the US and Non Functioning NET worldwide

Functioning NET for US label

- Recruitment target: 100 patients
- Global recruitment status on target for completion end of 2012
- Carcinoid syndrome initially slow to recruit due to trial design and ongoing competitive trials
- 12 countries planned (US + 11 ROW countries), 66 sites (56 Row + 10 US)

- USA

- Brazil
- Croatia
- Czech Rep.
- India
- Latvia
- Poland

- Russia
- Serbia
- South Africa
- Turkey
- Ukraine

Non Functioning NET worldwide - CLARINET

- **RECRUITMENT COMPLETED** end of April 2011
- 200 patients accrued (45 centers in 14 countries)

- Austria
- Belgium
- Czech Rep.
- Denmark
- France
- Germany
- India

- Italy
- Poland
- Slovakia
- Spain
- Sweden
- UK
- US

Somatuline®, potentially the only SSA with functioning and non-functioning NET label

Note 1: WHO The Atlas of Heart Disease and Stroke, Dr Judith MacKay and Dr George A. Mensah

Somatuline® Autogel 2020: a globalized reach

Geography/ Indication	Europe	US	China	Brazil	Russia
Acromegaly	✓	✓	✓	✓	✓
Functioning NET	✓	✓	-	✓	✓
Non functioning NET	✓	✓	-	✓	✓

✓ Ipsen presence

LatAm and Asia covered through partnerships

Zoom on

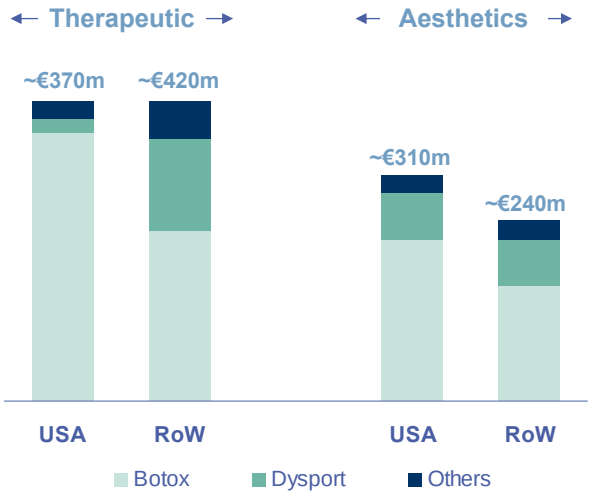
Neurology/ Dysport®

A 2010 botulinum toxin market in excess of 1.3 billion euros

Dysport® market metrics

- 2010 Botulinum toxin market : ~€1.35bn[1]
- The US represent north of 50% of the market
- Therapeutic indications represent 58% of the market
- Dysport®, a solid second player
- Dysport® recently launched by Ipsen in the USA (November 2009) with a single medical indication (cervical dystonia) and by Medecis in aesthetics (Glabellar lines)

2010 BonTA market figures



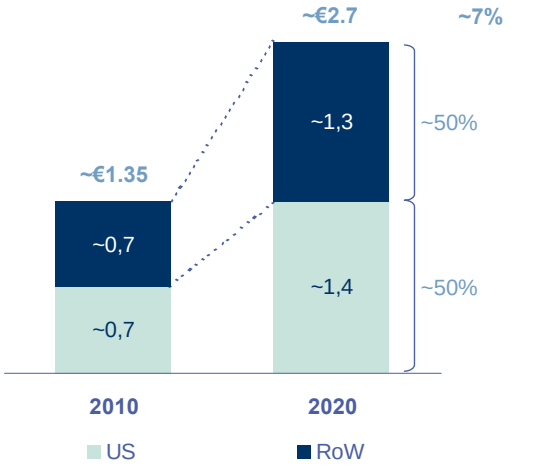
Note 1 : Internal company data

Source: Ipsen analysis

Botulinum toxin market expected to grow by ~7% p.a. to 2.7 billion euros in ten years

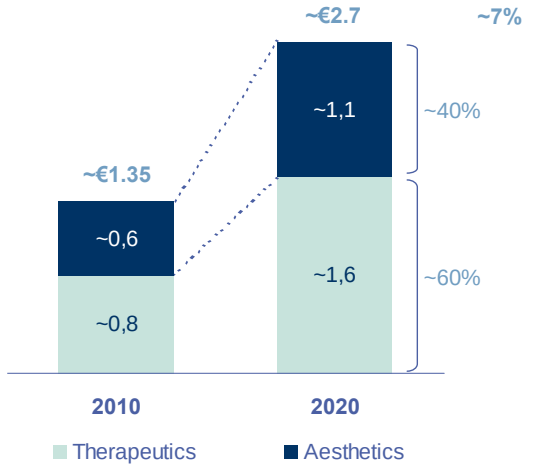
US to remain half of 2020 WW market …

Botulinum toxin A market by geography (€Bn)



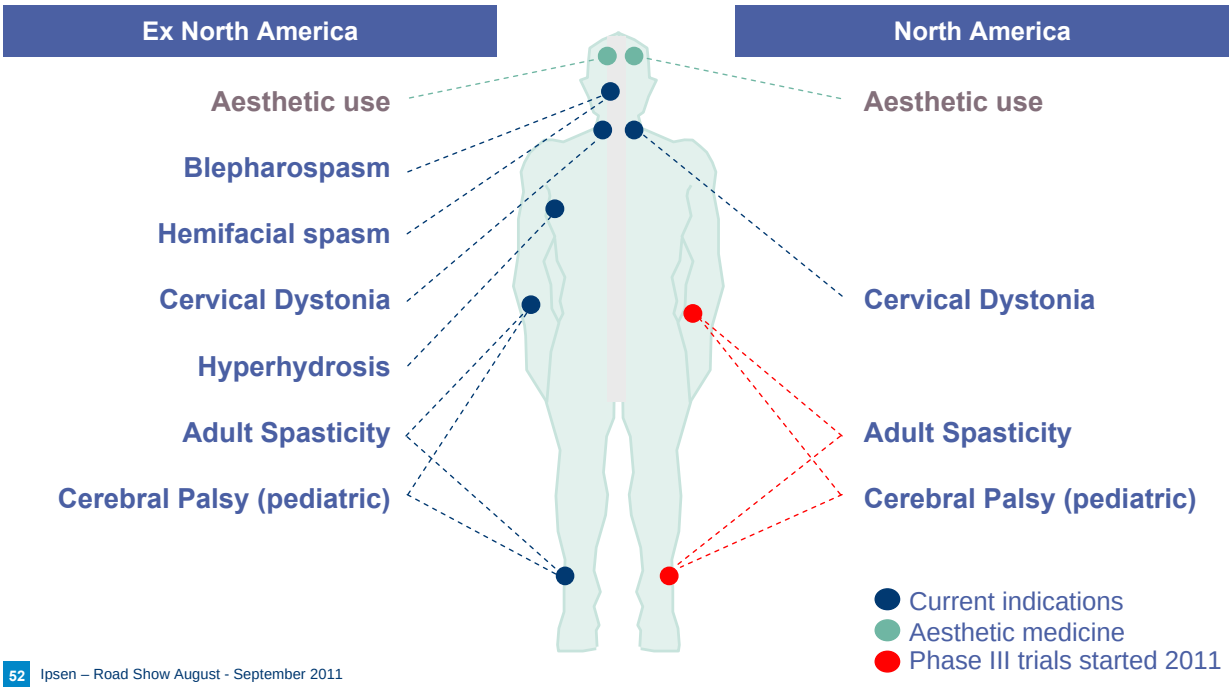
…with split between therapeutics and aesthetics remaining stable

Botulinum toxin A market by use (€B)

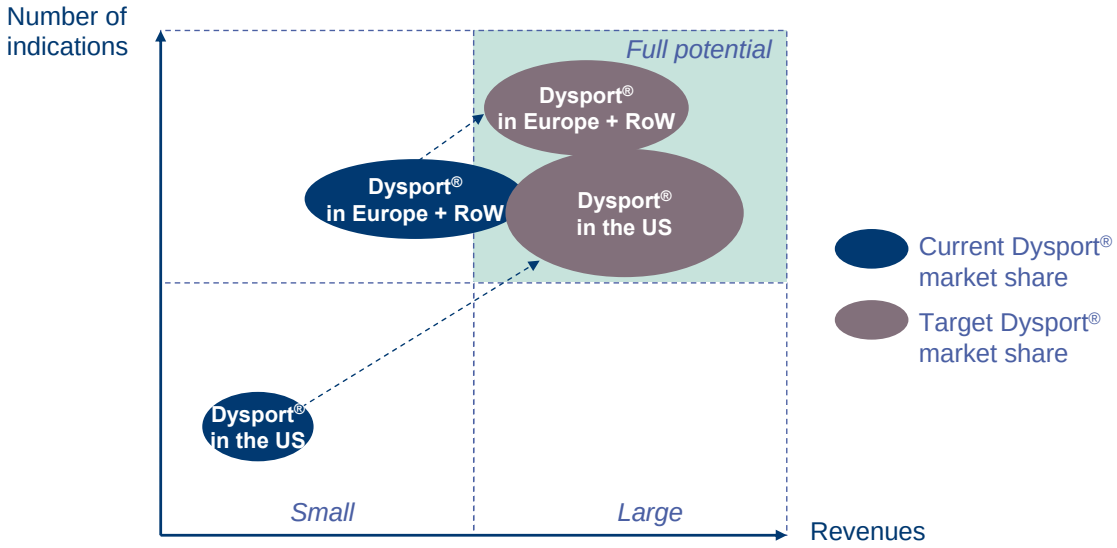


Source: Ipsen analysis

Room for new indications in North America



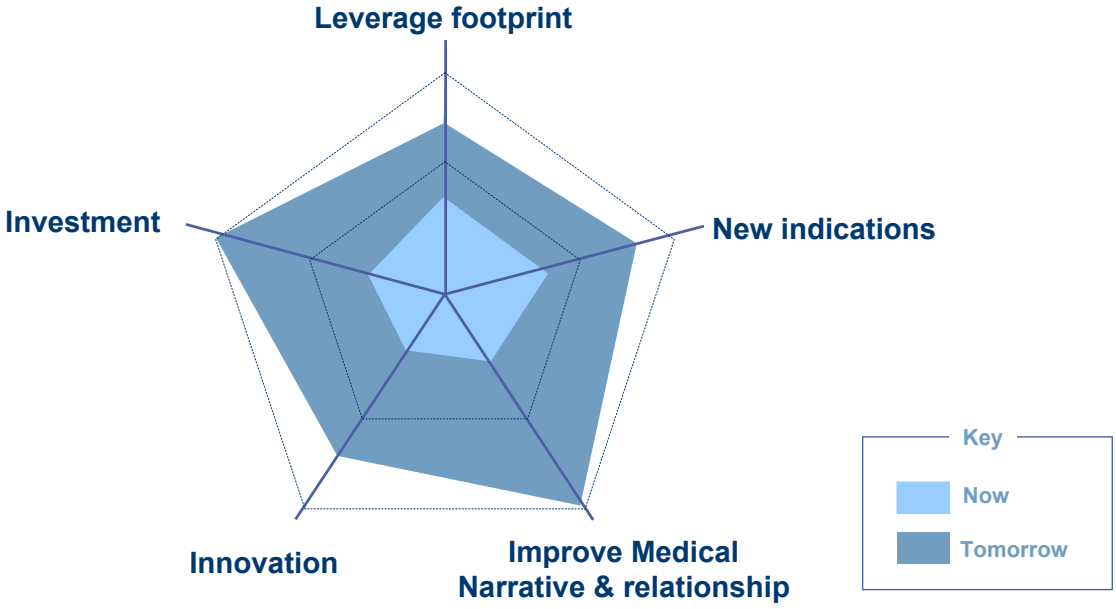
Full potential of Dysport® lies ahead…



… and BonTA market is expected to grow 7% CAGR until 2020

Note: bubble size only for representation purposes

Ipsen to work on key levers to reach full potential



Spasticity and the US : two main growth drivers

Dysport® 2020 footprint aspiration : More geographies, more indications

Geography/ Therapeutic area	Europe	US	China	Brazil	Russia
Therapeutic	1.Cervical Dystonia 2.Adult arm spasticity 3.Blepharospasm 4.Hemifacialspasm 5.Paediatric per equinus spasticiy (Cerebral palsy) 6.Adult leg spasticity (in three EU markets) 7.Hyperhidrosis **8.Pediatric arm spasticity** **9.Neurogenic Detrusor Over-activity**	1.Cervical Dystonia **2.Adult Upper Limb** **3.Adult Lower Limb** **4.Pediatric Lower Limb** **5.Pediatric Upper Limb** **6.Neurogenic Detrusor Over-activity**	**1.Cervical Dystonia** **2.Other indications under assessment**	1.Cervical Dystonia 2.Adult arm spasticity 3.Blepharospasm 4.Hemifacialspasm 5.Paediatric per equinus spasticiy (Cerebral palsy) 6.Adult leg spasticity 7.Hyperhidrosis **8.Pediatric Upper Limb** **9.Neurogenic Detrusor Over-activity**	1.Cervical Dystonia 2.Adult arm spasticity 3.Blepharospasm 4.Hemifacial spasm 5.Paediatric per equinus spasticiy (Cerebral palsy) 6.Hyperhidrosis **7.Pediatric Lower Limb** **8.Pediatric Upper Limb** **9.Neurogenic Detrusor Over-activity**
Aesthetic	1.Glabellar Lines **2.Canthal Lines**	1.Glabellar Lines **2.Canthal Lines**	**1.Glabellar Lines**	1.Glabellar Lines	1.Glabellar Lines

New indications: Focus on spasticity and urology indications

Focus on spasticity in the short term…

- Current spasticity indications:
  - Adult upper (ex-US) and lower limb (limited markets)
  - Pediatric lower limb (ex-US)
- Spasticity, a major short-term growth opportunity:
  - Stroke : 15 million people worldwide every year. 5 million are left permanently disabled[1]
- World-wide Adult and Pediatric Ph III program (4 trials):
  - 4 new indications in the US
  - New and/ or Improved labeling ex-US

… and in urology in the longer term

- Leverage current access to prescriber base:
  - Clear synergies with Uro-oncology franchise in Europe
  - Clear WW synergies with neuro-rehabilitation environment
- Neurogenic Detrusor Overactivity: Ph IIa started (NCT01357980):
  - First patient screened in May 2011
  - Limited cost and high probability of success
- Urology indications, a significant mid term growth potential

Note 1: WHO The Atlas of Heart Disease and Stroke, Dr Judith MacKay and Dr George A. Mensah

Dysport® Next Generation: a potential new exciting opportunity

The first ready-to-use toxin A…

- …is a breakthrough innovation bringing clear differentiation vs. competitors
- …saves time by avoiding reconstitution
- …improves safety (dilution/dosage, reconstitution, single use product …)
- …has very positive qualitative and quantitative market research results[1] (c. 500 participants) :
  - 83% of potential adopters on time saving and improved safety grounds

A potentially transforming project

- A WW Ph III program to assess safety and efficacy:
  - –Indication : Cervical Dystonia
  - –350 patients
  - –71 sites (42 in Europe, 29 in the US)
  - –First patients recruited in Europe
  - **–US recruitment pending feedback from FDA in Q3 2011**
- **A complex manufacturing process with technical hurdles to be addressed**
- Ipsen team fully mobilized to bring R&D project to fruition

Potentially, a major change in market paradigm

Note 1: with Neurologists and Neuro–rehabilitators

Zoom on

Uro-Oncology/ Decapeptyl®

A franchise with renewed growth opportunities

Tasquinimod

for castrate resistant tumors

Once a day oral formulation in PhIII

Decapeptyl®

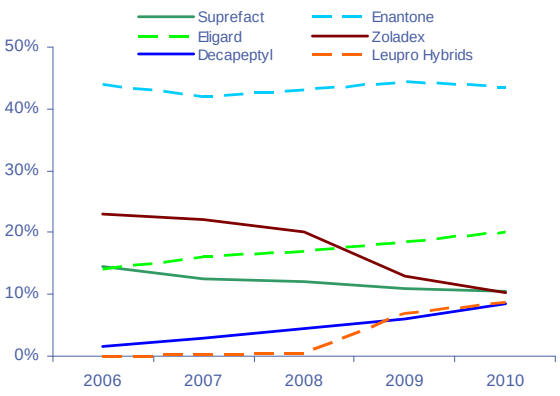
for hormone-sensitive tumors

No true generics of GnRH analogs anticipated, only Hybrids

Hybrids rather than true generics

- Risk of true long acting GnRH analogs generics entry expected to be low
- Only hybrids of leuprorelin are available today[1]
- Hybrids are currently not substitutable and priced 20-25% below original products
- In Germany, the 2 leuprorelin hybrids have reached less than 10% MS in 3 years[2] with no impact on class price yet

Impact of hybrids on market shares MEU (*) in Germany



(*) MEU = Monthly equivalent units

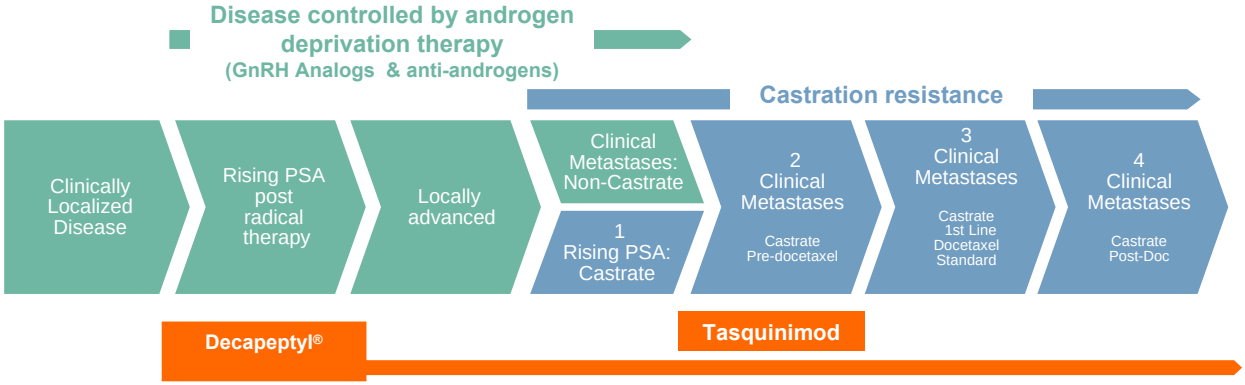
Source: Insight Health, OdV data - Germany

Hybrids represent a moderate threat to GnRHa established brands compared to true generics

Note 1 : goserelin hybrid has been withdrawn from the 2 markets where they were launched (UK and GER)

Note 2 : despite promotional investments and push from payers

Tasquinimod: a perfect strategic fit



Population Incidence in G5*	149 000 Stage I & II	111 000 Stage III & IV	153 000 CRPC

- Leverage the Group's current leadership position in prostate cancer
- Expand to medical oncology
- Access to significant sales potential
- Beyond prostate, tasquinimod has potential in other cancers (such as GI)

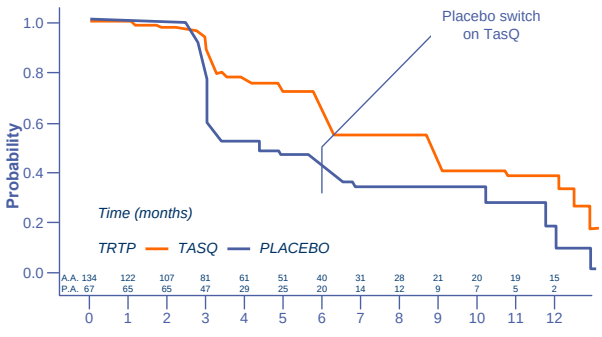
** Oncos Da Vinci, 2008*

Tasquinimod, promising phase II results

Safety and efficacy analysis* of Phase II study of Tasquinimod in chemotherapy naïve patients with asymptomatic metastatic castrate-resistant prostate cancer (CRPC) (n=201)

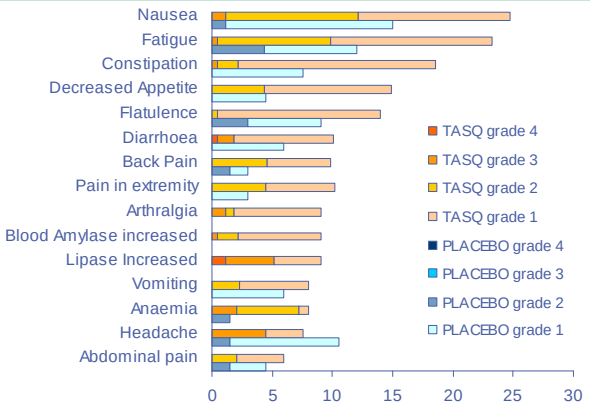
Primary end point
Proportion of patients with progression at 6 months:
n=134/67 **31% in Taquinimod group vs. 66% in placebo group**

Radiographic



Tasquinimod improves Radiographic Progression Free survival vs. placebo (8.8 months vs. 4.4 months)

Most common AE-s and percent of patients with grade 1-4 in Double-blind phase



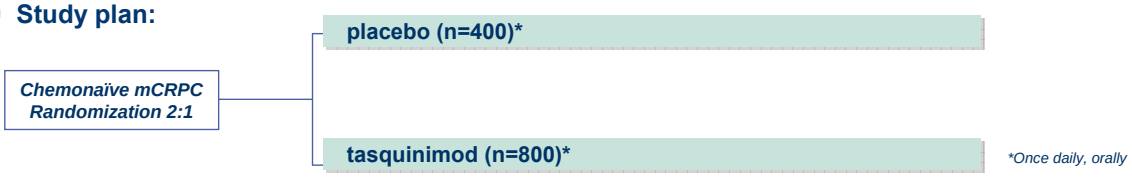
Side effects are manageable

** ASCO-GU, 2011, J. Armstrong[1], M. Haggman[2], W. M. Stadler[3], J. R. Gingrich[4], V. J. Assikis[5], O. Nordle[6], G.Forsberg[6], M. A. Carducci[7], R. Pili[8]*

Tasquinimod, Phase III program ongoing

A Phase III randomized, double-blind, placebo-controlled study of Tasquinimod in men with asymptomatic/mildly asymptomatic Metastatic Castrate Resistant Prostate Cancer

- **Objectives**
  - TASQ in chemonaïve patients with metastatic castrate-resistant prostate cancer
  - Effect of Tasquinimod on delaying disease progression compared with placebo
- **Endpoints**
  - Primary: Radiological progression-free survival (PFS)
  - Secondary Endpoint: Overall Survival (OS) – Study powered for OS
- **Study plan:**



- **Principal investigators:**
  - America : Michael A Carducci, Johns Hopkins Kimmel Cancer Center, Baltimore, USA
  - Europe : Cora N Sternberg, San Camillo and Forlanini Hospitals – Rome, Italy

International Pivotal Phase III opened 1Q 2011…

… filing expected in 2014

Tasquinimod, deal terms for Ipsen

Geographies	▪ World excluding Japan and the Americas
Execution	▪ Active Biotech: Pivotal registration PhIII ▪ Ipsen: Supportive study
Financials	▪ Milestones : – Upfront payment of €25 million – Additional payments of €175 million contingent upon progress/ achievement of clinical, regulatory and commercial milestones ▪ Royalty rate: progressive on the level of sales starting in the low teens

Expected peak sales: in excess of €250m

Zoom on:

Hemophilia

Ipsen and Inspiration are aiming at all levels of the coagulation cascade for the treatment of hemophilia

A **full fledged hemophilia franchise,** with potentially 4 products

…with a **broad potential inhibitor therapy offering** (OBI-1, FVIIa)…

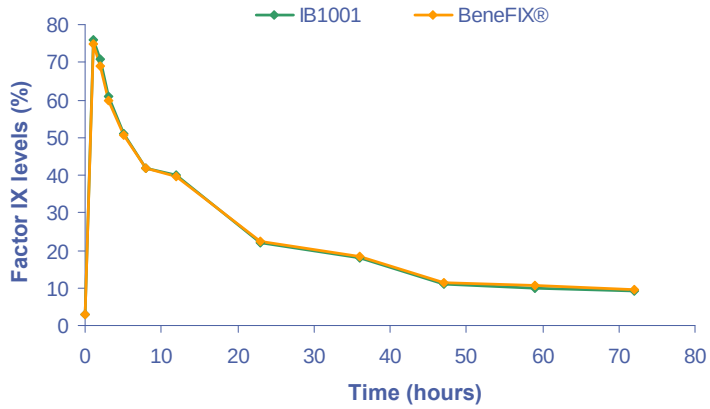
…and the **first recombinant competitor** in hemophilia B therapy, IB1001

…differentiated with OBI-1, the only recombinant porcine FVIII product...

- ➔ An $8bn market
- ➔ A high margin market
- ➔ 2 products in Ph III:
  - – OBI-1: a highly innovative porcine recombinant Factor VIII (orphan drug)
  - – IB1001: first rFIX biosimilar in an underserved, fast growing market

IB 1001 demonstrated non-inferiority to BeneFIX®

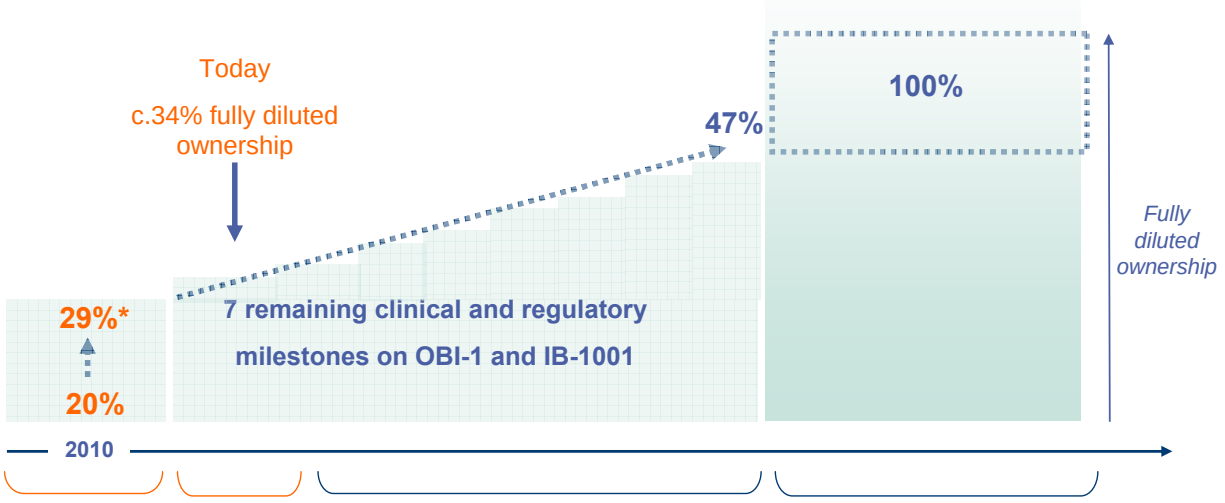
Mean FIX activity by time and treatment



The preliminary safety data collected during the PK study phase indicate that IB1001 has an acceptable safety profile and is well tolerated

Study IB1001-01 is ongoing and further analyses on safety and efficacy will be available in 2011.

Ipsen now has ~34% of fully diluted ownership of Inspiration



Initial equity stake: $85 m + OBI-1 upfront: $50 m + 27.5% royalty rate on OBI-1

OBI-1 PhIII initiation $50 m paid by Ipsen in exchange for convertible bonds

Total development funding of $124m in exchange for convertible bonds maturing the later of 7 years or the end of the call exercise period

Call at market value exercisable on **triggering events** expiring at the latest in 2019

** O/W 20% of outstanding shares*